

# TreeTop Convertible SICAV

Investment Company with Variable Capital ("SICAV")  
governed by Luxembourg law

Audited Annual Report  
as at 31 December 2019

R.C.S. Luxembourg B 27.709

The subscriptions can only be accepted on the basis of the current prospectus including the identification sheets of each Sub-Fund and on the basis of the key investor information document ("Key Information"). The last annual report as well as any subsequent semi-annual report are available on the registered office of the SICAV and of the Management Company.

Only the French version of the present Annual Report has been reviewed by the auditors. Consequently, the auditor's report only refers to the French version of the Annual Report; other versions result from a conscientious translation made under the responsibility of the Board of Directors. In case of differences between the French version and the translation, the French version should be retained.



# TreeTop Convertible SICAV

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# TreeTop Convertible SICAV

## Organisation

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### **Registered office :**

12, rue Eugène Ruppert, L-2453 Luxembourg

### **Date of incorporation :**

31 March 1988

### **Board of Directors of the fund :**

#### **Chairman of the Board of Directors :**

- Jacques BERGHMANS, Chairman of the Board of Directors and Executive Officer  
TreeTop Asset Management S.A. Luxembourg

#### **Administrators :**

- François MAISSIN, Head of Risk and Operations  
TreeTop Asset Management S.A. Luxembourg
- Hubert D'ANSEMBOURG, Administrator  
TreeTop Asset Management S.A. Luxembourg
- John PAULY, Director and Member of the Board of Directors  
Degroof Petercam Asset Services S.A.
- André BIRGET, Independent Administrator

### **Management Company :**

TreeTop Asset Management S.A.  
12, rue Eugène Ruppert, L-2453 Luxembourg

### **Depository :**

Banque Degroof Petercam Luxembourg S.A.  
12, rue Eugène Ruppert, L-2453 Luxembourg

### **Depository of Bearer shares :**

Banque Degroof Petercam Luxembourg S.A.  
12, rue Eugène Ruppert, L-2453 Luxembourg

### **Domiciliary Agent and Administrative Agent :**

Degroof Petercam Asset Services S.A.  
12, rue Eugène Ruppert, L-2453 Luxembourg

### **Auditor:**

PricewaterhouseCoopers, Société coopérative  
B.P. 1443, 2, rue Gerhard Mercator, L-1014 Luxembourg

# TreeTop Convertible SICAV

## Organisation

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### **Agent in charge of Financial Services in Belgium :**

Banque Degroof Petercam S.A.  
44, rue de l'Industrie, B-1040 Brussels

### **Agent in charge of Financial Services in Spain :**

Bank Degroof Petercam Spain S.A.U.  
464, Avenida Diagonal, E-08006 Barcelona

### **Agent in charge of Financial Services in France :**

Caceis Bank France  
1-3, place Valhubert, F-75013 Paris

### **Agent in charge of Financial Services in Switzerland :**

Banque Cantonale de Genève  
17, Quai de l'Ile, CH-1204 Genève

### **Representative in Switzerland :**

Carnegie Fund Services S.A.  
11, rue Général Dufour, CH-1204 Genève

### **Agent in charge of Financial Services in Luxembourg:**

Banque Degroof Petercam Luxembourg S.A.  
12, rue Eugène Rupert, L-2453 Luxembourg

# TreeTop Convertible SICAV

## General information of the Fund

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TreeTop Convertible SICAV (the “SICAV”) was registered as an Open Ended Investment Company (“SICAV”) under Luxembourg law on 31 March 1988 for an unlimited period under the name of “Star Convertible Fund”. The name of the SICAV has been changed in “TreeTop Convertible SICAV” after an Extraordinary General Meeting of the shareholders. Today it is regulated by part I of the law dated 17 December 2010, as amended.

The articles of association of TreeTop Convertible SICAV are kept at the Registered Office of the SICAV and with the registrar of the Tribunal d'Arrondissement in Luxembourg where anyone can consult them or take a copy.

Semi-annual and annual reports can be obtained and from the institutions responsible for financial service, at the Registered Office of the SICAV and of the Management Company. The net asset value, the issue price and the redemption price, as well as all the instructions intended for the shareholders, are available at the Registered Office of the SICAV and of the Management Company.

TreeTop Convertible SICAV, denominated in EUR, is registered as an umbrella fund. At the date of this report, the sole Sub-Fund TreeTop Convertible International is operational.

The Sub-Fund comprises the following share categories, which can be distinguished by their hedging exchange risk policies linked to the investments' currency, their distribution policy and/or by their minimum initial investment :

- Class AH : EUR accumulation hedged shares ;
- Class BH : USD accumulation hedged share ;
- Class CH : GBP distribution hedged shares ;
- Class DH : EUR distribution hedged shares ;
- Class IH : EUR accumulation hedged share reserved to professionals.

The net asset value is determined on a daily basis, on each business day in Luxembourg.

The SICAV publishes an audited annual report closed on the last day of the financial year, as well as a non-audited semi-annual report closed on the last day of the sixth month of the financial year.

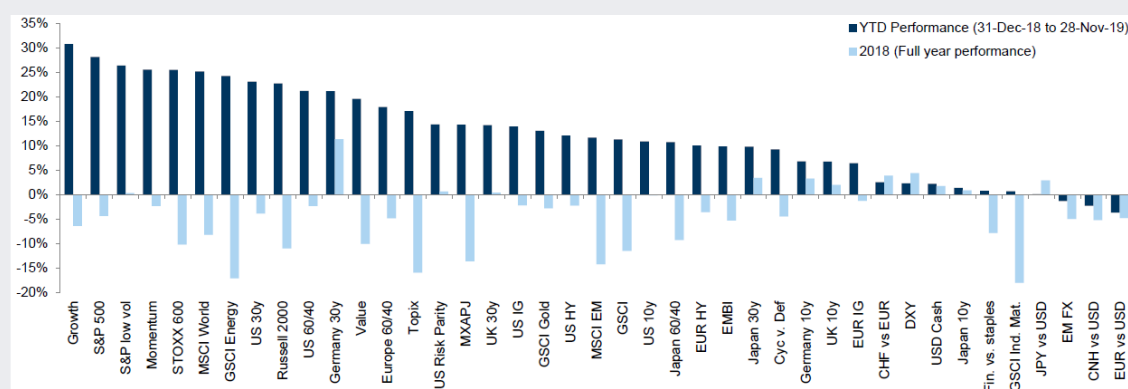
# TreeTop Convertible SICAV

## Manager's Report

### 1. Economic and market environment

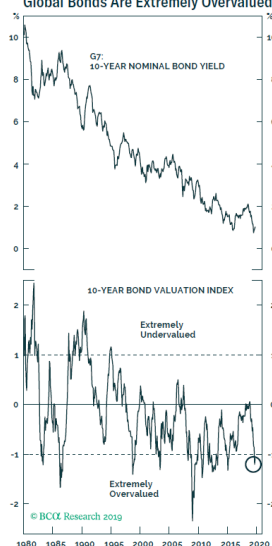
2019 ended up being an excellent vintage year for the world financial markets. Most asset classes delivered positive returns with some, such as US equities performing very strongly. European-based investors who bought American stocks got an additional return boost from the Euro underperformance compared to the US-dollar. Even long maturity government bonds, which we think will eventually destroy significant value for the long-term investor, generated positive returns in 2019. For the typical Belgian 'balanced' investor, who owns an unhedged portfolio mixing large capitalization stocks with corporate and government bonds, the past year was an excellent one.

Exhibit 2: Returns across assets have been strong in 2019 after a very difficult 2018



Source: Datastream, iBoxx, Goldman Sachs Global Investment Research

CHART 28  
Global Bonds Are Extremely Overvalued



However, we think that 2020 and the following years will require a much better selection of asset classes to be able to generate positive returns. For us, one of the major investment rule to remember is that every investment is risky, there is no 'safe' asset class. Unfortunately, there is a common misconception about risk and most investors associate it with short-term volatility, usually looking at the last five or ten years to assess what future volatility could be. This is how some investor might end up buying very risky investments, which generated good returns with low volatility in the past but are now in bubble territory.

Instead, we think that a better way to invest is to first understand what potential return an asset class might generate and then analyse the risk profile. There are three broad categories available to the retail investor, **real estate, fixed income and equity investments**. By definition, fixed income assets (bonds, loans, money market instruments etc) generate a fixed return for the investor, which is absolute or fixed to a moving benchmark like LIBOR. Over the last three decades and especially since the crisis in 2009, the return on these fixed income instruments has collapsed, with most decent quality debt instruments yielding below, close to or just above 0%. Some readers might point out that investments in bonds have done very well in recent years, which is true, but it is mostly due to price appreciation and not yields. As overall rates declined, investors paid more and more for older & higher yielding debt instruments.

# TreeTop Convertible SICAV

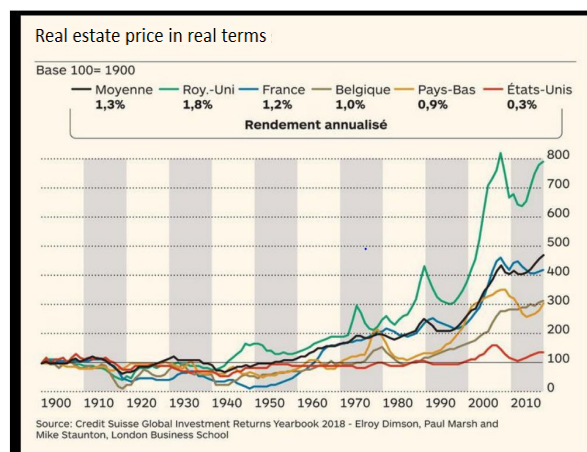
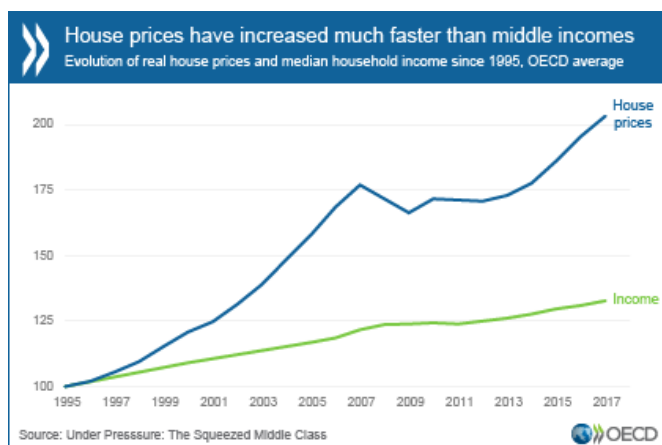
## Manager's Report

Today, most fixed income instruments generate no yields and we are convinced that we have reached the end of this multi-year capital appreciation phenomenon in fixed income and potential return for this asset class is now close to 0%. We continue to strongly believe that most fixed income instruments should be avoided and the traditional 60/40 equity/bond portfolio sold by financial institutions over the last three decades is not an appropriate solution anymore.

*"It is a terrible mistake for investors with long-term horizons -- among them pension funds, college endowments, and savings-minded individuals -- to measure their investment 'risk' by their portfolio's ratio of bonds to stocks."*

WARREN BUFFETT

We are not experts in real estate and analysing the subject is beyond the scope of this newsletter. Nevertheless, it is important to point out that most Belgian households are over-invested in Belgian real estate. This asset class is also highly illiquid, generates significant transaction costs and is not diversified when investors buy buildings directly instead of real estate investment funds. Similar to fixed income investments, the source of return comes from price appreciation and rental yields. Europe, and Belgium in particular, saw a significant increase in real estate prices over the last few years (well in excess of the increase of the household income), made possible by the drop in financing costs.



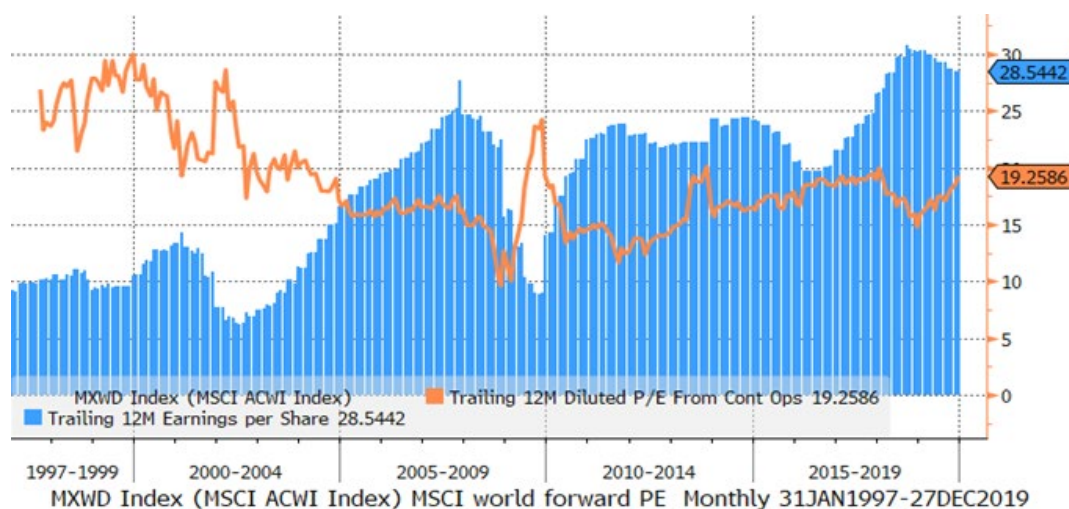
At this point, mortgage rates are very likely close to the bottom making similar price appreciation unlikely and most of the return will depend on rental yields net of costs. Rents do tend to increase with inflation and therefore provide capital protection, but we would still recommend trading carefully and keeping in mind that the big increase in real estate prices is very likely behind us.

Now what about **equity investments** and in particular the **global stock market**, which we continue to think is a very interesting asset class for the long term investor? A first observation is that the world stock market trades in line with historic valuation multiples (orange line on the graph below) which tend to vary between 12x and 30x trailing PE.



# TreeTop Convertible SICAV

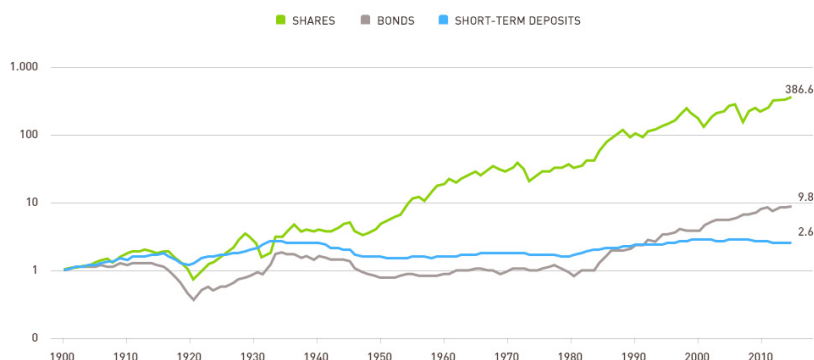
## Manager's Report



Source: Bloomberg

The second major observation is that the earnings per share generated by companies does tend to grow consistently over long periods of time, being driven by economic growth, inflation and share buy-backs. Paul Marsh in his long term study of asset prices observed that over a hundred & twenty years period, stocks generated a nominal annual return of 8.2% and a real return (after inflation) of more than 5%, much better than any other asset class in the world.

Real performance of different asset types (after inflation) - 1900-2017<sup>(1)</sup>



© 2018 Elroy Dimson, Paul Marsh and Mike Staunton

<sup>(1)</sup> Source: Credit Suisse Global Investment Returns Yearbook 2018, Elroy Dimson, Paul Marsh and Mike Staunton, Triumph of the Optimists: 101 Years of Global Investment Returns, Princeton University Press, 2002.

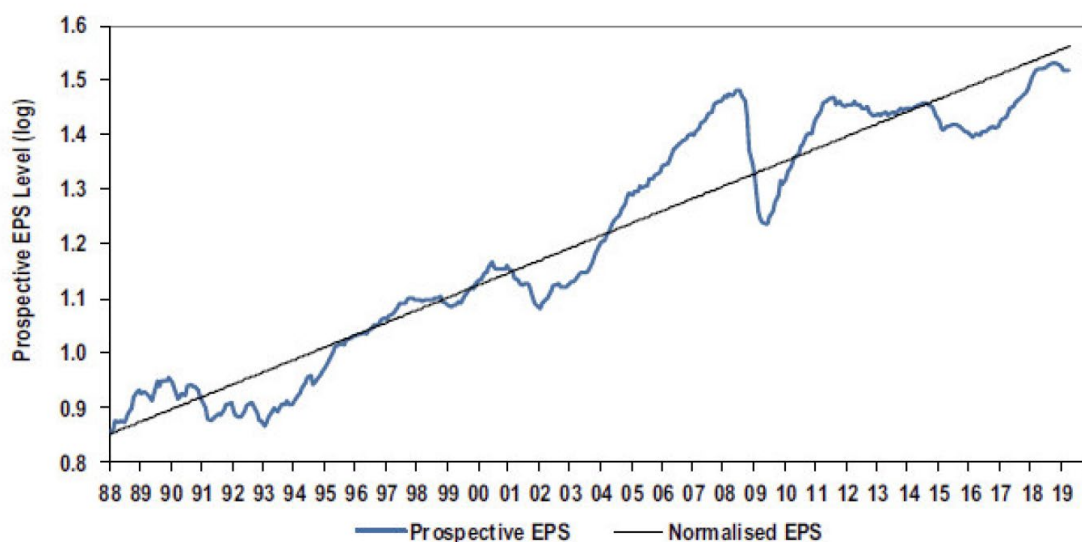
\* Past performance is no guarantee of future performance.

Annualized performance (before inflation)	
Equity	8.2%
Bonds	4.9%
Cash deposits	3.7%

Annualized performance (after inflation)	
Equity	5.2%
Bonds	2.0%
Cash deposits	0.8%

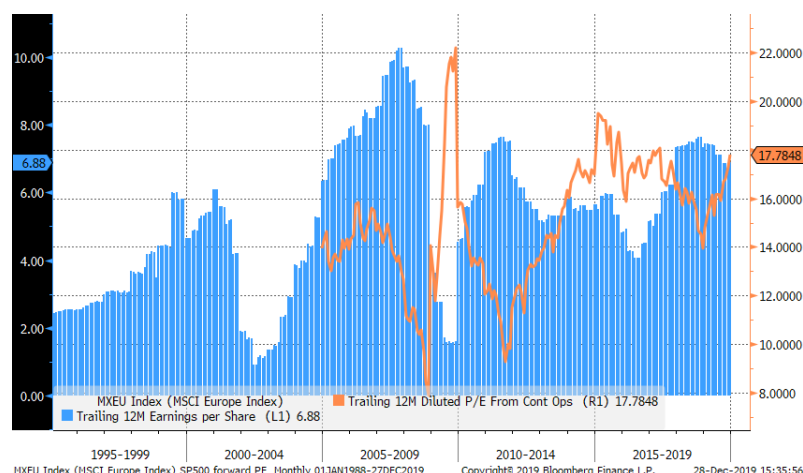
# TreeTop Convertible SICAV

## Manager's Report

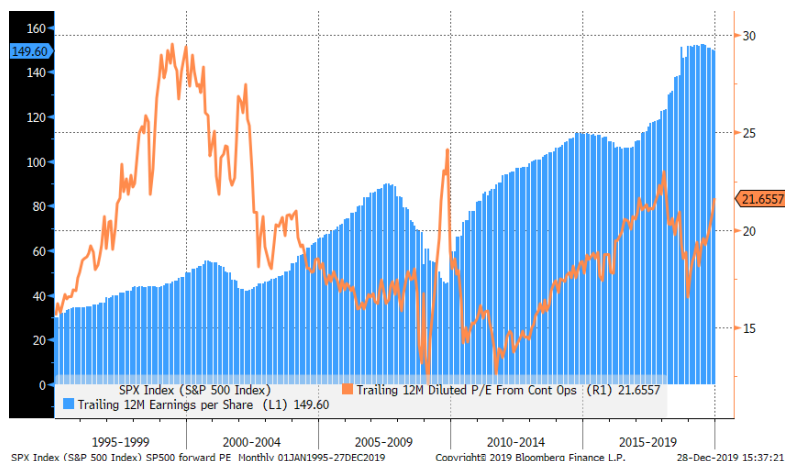


Source: BofA Merrill Lynch Global Quantitative Strategy, MSCI, IBES

Données à titre illustratif uniquement. Les comportements de marché passés ne préjugent en aucune manière de leurs comportements futurs.



Now the reason why we recommend investing in the **global stock market** and not regionally is that some regions of the world can underperform for a significant amount of time, Japan being the prime example with the TOPIX reaching an all-time high in 1988 and never coming close to this peak again. The world tends to progress relatively evenly over time, but most of the growth generally comes from a few regions and companies. The biggest contrast since the financial crisis in 2009 is the outperformance of the American market relative to European markets. As we can see on the graphs on the left, the S&P500 is actually not much more expensive than the MSCI Europe (22x trailing earnings compared to 18x trailing for the European market) but earnings per share are over 50% higher than in 2009 in the US when in Europe, earnings per share are more than 30% lower than in 2009! Despite the crisis starting in America, the region was much faster at taking the bitter pill, reforming its financial system and ultimately getting out of the recession a lot faster. Instead in Europe, the crisis crystallized some long-running structural problems like over-indebted Southern European governments and a lack of competitiveness. Ultimately, the continent is likely to get out of these issues but for European equity investors, we can already speak about a lost decade.



Source: Bloomberg

# TreeTop Convertible SICAV

## Manager's Report

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A final wish we would like to make for the next few years is the end of trying to time the market or trying to predict short-term market moves, which in most cases lead to value destruction for the final investor. In a recent study 'Mind the Gap', Morningstar calculates the average return achieved by investors compared to what the asset class has achieved. The good news is that the gap has tended to narrow over time, the bad news is that Europe is among the worst in-class and even more problematic, the gap tends to increase a lot in times of crisis like in 2009. Basically, the study confirms what we have observed empirically: investors tend to panic when they see losses increase and therefore miss most of the rally. The study also observes that in countries like the UK and Australia where most investors use automatic monthly investment plans irrespective of market moves and news, there is no such gap.

In conclusion, please don't try to time the market, don't panic in bad times but also don't invest beyond your means (a few years of expenditure in cash in the bank is generally prudent) and avoid 0% yielding fixed income.

## 2. Commentary of the SICAV manager

Our strategy in TreeTop Convertible International is to make high conviction investments in a limited number of companies (generally 20 to 30), through convertible bonds, options or stocks. Our approach results in a high portfolio delta (between 75 and 85) which can result in significant positive performance when underlying stocks perform well or negative performance when the underlying stocks go down.

2019 was generally a lot better than 2018 as most assets in the world delivered positive returns to the investor, with American stocks performing better than most other asset classes. We delivered decent results, though not as good as the world stock market mainly as a consequence of our lower exposure to the US market compared to benchmarks. Our main performance detractor was our large investment in **INDIABULLS HOUSING FINANCE**, which suffered significantly from a liquidity and real estate crisis in India. The Company itself was much better managed than most of its competitors but still suffered from the general market fallout. Most of our other investments delivered positive results leading to an overall appreciation of our strategy. Global interest rates continue to be extremely low compared to historic standards across all major world economies decreasing the attractiveness of classic convertible bonds issuance for companies. On the contrary, relatively benign equity valuation levels and low volatility continue to create opportunities in traditional stocks and options. For these reasons, we continue to think that our strategy can deliver positive results for the long term investors mostly through stocks, options and some convertible bonds when opportunities arise.

# TreeTop Convertible SICAV

## Manager's Report

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### 3. 2019 review

Performance summary as of 31/12/2019		
	TreeTop Conv. Intl AH EUR	MSCI AC World*
<b>Cumulative returns</b>		
1 month	1.6%	2.1%
3 months	9.5%	8.0%
1 year	16.5%	26.9%
<b>Annualized returns</b>		
3 years	0.5%	11.7%
5 years	-1.2%	8.9%
10 years	4.4%	9.7%
Since inception**	8.0%	7.0%

\* The investment policy does not stipulate any correlation between the sub-fund and the index (MSCI All Country World in local currency - Bloomberg code: NDLEACWF). Consequently, the performance of the sub-fund may differ from the performance of the index.

\*\* The AH share class was launched on 30 June 1988.

Note: Past performance is no guarantee of future performance.

Luxembourg, February 11, 2020



## **Audit report**

To the Shareholders of  
**TreeTop Convertible SICAV**

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### **Our opinion**

In our opinion, the accompanying financial statements give a true and fair view of the financial position of TreeTop Convertible SICAV (the “Fund”) as at 31 December 2019, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

#### *What we have audited*

The Fund’s financial statements comprise:

- the statement of net assets as at 31 December 2019;
- the schedule of investments as at 31 December 2019;
- the statement of operations and changes in net assets for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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### **Basis for opinion**

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.



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## **Other information**

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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## **Responsibilities of the Board of Directors of the Fund for the financial statements**

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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## **Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund;
- conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 31 March 2020

Antoine Geoffroy

# TreeTop Convertible SICAV

## Statement of net assets as at 31 December 2019

TreeTop Convertible International		
	NOTES	VALUE (IN EUR)
<b>Assets</b>		
Investments in securities	1a	104,335,787.40
Cash at banks		19,274,776.98
Interest receivable on cash account		3,395.93
Interest receivable on deposit		10,489.98
Interest receivable on bonds		164,735.89
Dividends receivable on shares		5,442.30
Unrealised gain on forward exchange contracts	7	430,894.26
<b>Total Assets</b>		<b>124,225,522.74</b>
<b>Liabilities</b>		
Taxes and Expenses payable	3	598,663.08
Overdraft interest		4,216.34
Amounts payable on redemptions		1,466,824.50
<b>Total Liabilities</b>		<b>2,069,703.92</b>
<b>Net assets at the end of the year</b>		<b>122,155,818.82</b>
Number of Shares Outstanding (at the end of the exercise)		
- AH		<b>347,209.541</b>
- BH		<b>34,278.905</b>
- CH		<b>2,065.523</b>
- DH		<b>37,203.291</b>
- IH		<b>5,000.000</b>
Net Asset Value per Share (at the end of the exercise)		
- AH		<b>278.61</b>
- BH		<b>391.53</b>
- CH		<b>115.90</b>
- DH		<b>230.76</b>
- IH		<b>918.86</b>

The accompanying notes form an integral part of these Financial Statements.



# TreeTop Convertible SICAV

## Statement of Operations and Changes in Net Assets

from 1 January 2019 to the 31 December 2019

TreeTop Convertible International		
	NOTES	VALUE (IN EUR)
<b>Income</b>		
Dividends, net of taxes	1h	1,784,158.78
Interest on bonds, net of taxes	1h	1,151,243.96
Interest on cash accounts		275,043.11
Other income	12	348,464.30
<b>Total Income</b>		<b>3,558,910.15</b>
<b>Expenses</b>		
Management Fee	4	1,936,506.96
Depositary fees	9	65,268.66
Subscription tax	5	118,871.66
Administration fees	8	412,160.79
Miscellaneous fees	6	101,084.01
Transaction fees	11	82,450.03
Overdraft interest		20,406.37
Taxes paid to foreign authorities		2,882.49
<b>Total Expenses</b>		<b>2,739,630.97</b>
<b>Net Profit / (Loss)</b>		<b>819,279.18</b>
<b>Net Realised Profit / (Loss)</b>		
- on investments	1b	-28,379,653.77
- on currencies		602,242.49
- on forward exchange contracts		-8,941,280.39
<b>Total Net Realised Profit / (Loss)</b>		<b>-35,899,412.49</b>
<b>Change in Net Unrealised Appreciation or Depreciation</b>		
- on investments	1e	63,827,549.10
- on forward exchange contracts		2,438,515.81
<b>Result of operations</b>		<b>30,366,652.42</b>
- Subscriptions		1,351,379.19
- Redemptions		-129,210,153.87
<b>Dividends paid</b>	10	<b>-395,208.22</b>
<b>Net changes in Net Assets</b>		<b>-97,887,330.48</b>
<b>Net assets at the beginning of the year</b>		<b>220,043,149.30</b>
<b>Net assets at the end of the year</b>		<b>122,155,818.82</b>

The accompanying notes form an integral part of these Financial Statements.

# TreeTop Convertible SICAV

## Securities portfolio statement as at 31 December 2019

TreeTop Convertible International					
Investment	Quantity	CCY	Cost (in EUR)	Evaluation value (in EUR)	% Total Net Assets
<b>Transferable securities admitted to an official stock exchange or dealt in on another regulated market</b>					
<b>Shares &amp; Related Securities</b>					
ASHTAD GROUP PLC	71,100	GBP	885,324.64	2,025,554.97	1.66%
<b>Total BRITISH POUND</b>			<b>885,324.64</b>	<b>2,025,554.97</b>	<b>1.66%</b>
DALI FOODS GROUP CO LTD	8,417,250	HKD	5,275,414.94	5,552,923.24	4.55%
FUFENG GROUP LTD	28,766,853	HKD	13,692,673.00	11,281,376.79	9.24%
MAN WAH HOLDINGS LTD	680,000	HKD	530,117.85	431,496.75	0.35%
<b>Total HONG KONG DOLLAR</b>			<b>19,498,205.79</b>	<b>17,265,796.78</b>	<b>14.13%</b>
ADANI PORTS AND SPECIAL ECON	1,198,000	INR	5,707,014.54	5,472,504.43	4.48%
INDIABULLS HOUSING FINANCE	1,376,303	INR	19,738,059.70	5,380,021.71	4.40%
<b>Total INDIAN RUPEE</b>			<b>25,445,074.24</b>	<b>10,852,526.14</b>	<b>8.88%</b>
NORWEGIAN FINANS HOLDING AS	338,300	NOK	3,801,318.26	3,268,532.76	2.68%
<b>Total NORWEGIAN KRONE</b>			<b>3,801,318.26</b>	<b>3,268,532.76</b>	<b>2.68%</b>
SYNEOS HEALTH	80,275	USD	2,995,608.73	4,253,323.50	3.48%
VIPSHOP HOLDING LTD ADR	267,070	USD	2,227,201.97	3,371,386.99	2.76%
<b>Total U.S. DOLLAR</b>			<b>5,222,810.70</b>	<b>7,624,710.49</b>	<b>6.24%</b>
<b>Total Shares &amp; Related Securities</b>			<b>54,852,733.63</b>	<b>41,037,121.14</b>	<b>33.59%</b>
<b>Bonds</b>					
3SBIO/STRATEGIC INTL 0% 21/07/22 (CONV.)	9,650,000	EUR	11,225,774.43	10,952,750.00	8.97%
AGEAS / FORTIS BANK SA/NV FLOATING RATE PERPETUAL (CONV.)	7,000,000	EUR	3,470,904.78	5,708,500.00	4.67%
<b>Total EURO</b>			<b>14,696,679.21</b>	<b>16,661,250.00</b>	<b>13.64%</b>
HORIZON PHARMA INV LTD 2.5% 15/03/22 (CONV.)	5,230,000	USD	4,634,816.18	6,197,049.13	5.07%
MOMO 1.25% 01/07/25 (CONV.)	6,700,000	USD	4,993,707.38	5,547,241.87	4.54%
TRIP.COM INTL LTD 1% 01/07/20 (CONV.)	6,740,000	USD	6,994,540.82	5,921,923.12	4.85%
TULLOW OIL JERSEY LTD 6.625% 12/07/21 (CONV.)	2,200,000	USD	2,196,134.63	1,841,101.11	1.51%
<b>Total U.S. DOLLAR</b>			<b>18,819,199.01</b>	<b>19,507,315.23</b>	<b>15.97%</b>
<b>Total Bonds</b>			<b>33,515,878.22</b>	<b>36,168,565.23</b>	<b>29.61%</b>
<b>Total Transferable securities admitted to an official stock exchange or dealt in on another regulated market</b>			<b>88,368,611.85</b>	<b>77,205,686.37</b>	<b>63.20%</b>
<b>Investment funds</b>					
AMUNDI 12-24 M-IC	69	EUR	8,581,009.74	8,760,057.84	7.17%
<b>Total EURO</b>			<b>8,581,009.74</b>	<b>8,760,057.84</b>	<b>7.17%</b>
<b>Total Investment funds</b>			<b>8,581,009.74</b>	<b>8,760,057.84</b>	<b>7.17%</b>

The accompanying notes form an integral part of these Financial Statements.

# TreeTop Convertible SICAV

## Securities portfolio statement as at 31 December 2019

TreeTop Convertible International					
Investment	Quantity	CCY	Cost (in EUR)	Evaluation value (in EUR)	% Total Net Assets
<b>Other Transferable Securities</b>					
CHINA SKY CHEMICAL FIBRE CO	7,115,300	SGD	6,817,967.83	0.00	0.00%
FIBRECHEM TECHNOLOGIES LTD	3,655,000	SGD	846,907.49	0.00	0.00%
<b>Total SINGAPORE DOLLAR</b>			<b>7,664,875.32</b>	<b>0.00</b>	<b>0.00%</b>
<b>Total Other Transferable Securities</b>			<b>7,664,875.32</b>	<b>0.00</b>	<b>0.00%</b>
<b>Derivatives</b>					
ALIMENTATION COUCHE TARD 21/12/20 50 CAD OPTION (RBC) (WRT CALL)	118,000	CAD	1,710,328.42	2,611,953.83	2.14%
<b>Total CANADIAN DOLLAR</b>			<b>1,710,328.42</b>	<b>2,611,953.83</b>	<b>2.14%</b>
ASHTED GROUP 12/10/20 17GBP OPTION (GS) (WRT CALL)	350,000	GBP	2,084,260.68	2,887,236.68	2.36%
IWG PLC 25/09/20 2.00 GBP OPTION (JPM) (WRT CALL)	1,240,431	GBP	3,035,495.37	3,293,762.61	2.70%
<b>Total BRITISH POUND</b>			<b>5,119,756.05</b>	<b>6,180,999.29</b>	<b>5.06%</b>
NORWEGIAN FINANCE HOLDING 16/12/20 60 NOK OPTION (GS) (WRT CALL)	900,000	NOK	3,599,731.03	3,696,261.56	3.03%
<b>Total NORWEGIAN KRONE</b>			<b>3,599,731.03</b>	<b>3,696,261.56</b>	<b>3.03%</b>
CRITEO 01/06/20 16USD OPTION (RBC) (WRT CALL)	204,000	USD	2,028,324.35	421,630.29	0.35%
UNITED RENTALS 09/04/21 110USD OPTION (BARC) (WRT CALL)	45,000	USD	2,325,255.68	2,608,195.99	2.14%
VIPSHOP 19/3/2021 7 USD OPTION (BARC) (WRT CALL)	425,000	USD	1,627,139.56	2,851,002.23	2.33%
<b>Total U.S. DOLLAR</b>			<b>5,980,719.59</b>	<b>5,880,828.51</b>	<b>4.81%</b>
<b>Total Derivatives</b>			<b>16,410,535.09</b>	<b>18,370,043.19</b>	<b>15.04%</b>
<b>Total Portfolio</b>			<b>121,025,032.00</b>	<b>104,335,787.40</b>	<b>85.41%</b>

The accompanying notes form an integral part of these Financial Statements.

# TreeTop Convertible SICAV

## Geographical allocation of the securities portfolio as at 31 December 2019

TreeTop Convertible International	% TOTAL NET ASSETS
CAYMAN ISLANDS	25.92 %
UNITED KINGDOM	14.56 %
BRITISH VIRGIN ISLANDS	8.97 %
INDIA	8.88 %
FRANCE	7.17 %
BERMUDA	5.43 %
BELGIUM	4.67 %
UNITED STATES OF AMERICA	3.48 %
NORWAY	2.68 %
CANADA	2.14 %
JERSEY	1.51 %
<b>Total Portfolio</b>	<b>85.41 %</b>

*These allocations of assets were established on basis of data (gross) used by the Administrative Agent and do not reflect inevitably the geographic analysis which directed the assets selection.*

# TreeTop Convertible SICAV

## Economic Allocation of the securities portfolio as at 31 December 2019

TreeTop Convertible International	% TOTAL NET ASSETS
BANKS	18.46 %
FINANCIAL SERVICES - HOLDINGS	14.40 %
BIOTECHNOLOGY	9.24 %
PHARMACOLOGY & PERSONAL CARE	8.55 %
UNIT TRUSTS, UCITS	7.17 %
LEISURES & TOURISM	4.85 %
FOOD & CLEANING MATERIALS	4.55 %
IT & INTERNET	4.54 %
BUILDING MATERIALS	4.48 %
ASSET & MORTGAGE BACKED SECURITIES	4.40 %
DISTRIBUTION	2.76 %
ELECTRIC & ELECTRONIC COMPONENTS	1.66 %
TEXTILE & GARMENTS	0.35 %
<b>Total Portfolio</b>	<b>85.41 %</b>

*These allocations of assets were established on basis of data (gross) used by the Administrative Agent and do not reflect inevitably the economic analysis which directed the assets selection.*

# TreeTop Convertible SICAV

## Allocation by Currency of the securities portfolio as at 31 December 2019

TreeTop Convertible International	% TOTAL NET ASSETS
U.S. DOLLAR	27.03 %
EURO	20.81 %
HONG KONG DOLLAR	14.13 %
INDIAN RUPEE	8.88 %
BRITISH POUND	6.72 %
NORWEGIAN KRONE	5.70 %
CANADIAN DOLLAR	2.14 %
<b>Total Portfolio</b>	<b>85.41 %</b>

*These allocations of assets were established on basis of data (gross) used by the Administrative Agent and do not reflect inevitably the currency analysis which directed the assets selection.*

# TreeTop Convertible SICAV

## Changes occurring in the number of shares

### TreeTop Convertible International

Shares outstanding at the beginning of the exercise	- AH	716,504.416
	- BH	82,965.577
	- CH	2,957.523
	- DH	101,898.712
	- IH	5,000.000
Shares issued during the exercise	- AH	4,012.861
	- BH	0.000
	- CH	0.000
	- DH	1,409.790
	- IH	0.000
Shares redeemed during the exercise	- AH	373,307.736
	- BH	48,686.672
	- CH	892.000
	- DH	66,105.211
	- IH	0.000
Shares outstanding at the end of the exercise	- AH	347,209.541
	- BH	34,278.905
	- CH	2,065.523
	- DH	37,203.291
	- IH	5,000.000

# TreeTop Convertible SICAV

## Changes in capital, total net assets and share value

SUB-FUND	VALUATION DATE	TOTAL NET ASSETS	SHARE CLASS	SHARES OUTSTANDING	SHARE VALUE	CCY
TreeTop Convertible International (EUR)	31.12.2017	417,108,933.31	- AH	1,069,358.595	318.03	EUR
			- BH	116,104.253	424.40	USD
			- CH	19,121.962	133.44	GBP
			- DH	118,835.736	278.65	EUR
	31.12.2018	220,043,149.30	- AH	716,504.416	239.11	EUR
			- BH	82,965.577	327.24	USD
			- CH	2,957.523	98.31	GBP
			- DH	101,898.712	203.38	EUR
			- IH	5,000.000	783.91	EUR
	31.12.2019	122,155,818.82	- AH	347,209.541	278.61	EUR
			- BH	34,278.905	391.53	USD
			- CH	2,065.523	115.90	GBP
			- DH	37,203.291	230.76	EUR
			- IH	5,000.000	918.86	EUR



# TreeTop Convertible SICAV

## Notes to the financial statements as at 31 December 2019

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### NOTE 1 - ACCOUNTING PRINCIPLES AND METHODS

The financial statements of the SICAV are prepared in accordance with the rules in place for undertakings of transferable securities.

#### a) Valuation of the securities portfolio and derivative instruments

The value of any security traded or admitted to official quotation is based on the last available price as at 31 December 2019 or, if there are several markets, on the last available price of the main relevant market.

The value of any security admitted on another regulated market is based on the last available price, or, if there are several markets, on the last available price on the main relevant market.

The shares / parts of OPC are estimated on base of their last official net asset value available in the day of evaluation (that is the price of quotation if the OPC is quoted or the net asset value communicated by Administrative Agent of the OPC) or unofficial if this one is of more recent date (on base, in this case of net asset value of likely estimated with caution and good faith by the Board of Directors of the SICAV or on base of the other sources such as an information of the Manager of the aforementioned OPC).

The value of securities which are not quoted on an official market and whose price is not representative shall be based on the last available market price or, in the absence of a market value, on the probable realisation value estimated according to valuation criteria as determined in good faith by and under the direction of the Board of Directors of the SICAV.

#### b) Net realised gain or loss on investments

The net realised profit or loss on sale of investments is determined on the basis of the average cost of investments sold.

#### c) Conversion of foreign currencies

All assets expressed in currencies other than the Sub-Fund's functional currency are converted into the Sub-Fund's functional currency at the exchange rate prevailing on the closing date in Luxembourg as at 31 December 2019.

#### d) Acquisition cost of the securities in the portfolio

For the securities investment expressed in currencies other than the currency of the concerned Sub-Fund, the acquisition cost is calculated on base of the current exchange rate in the day of the purchase.

#### e) Change in the unrealised gain and loss

Changes in unrealised profits or losses at the end of the period are accounted for in the " Statement of Operations and Changes in Net Assets ".

#### f) Change in the securities portfolio

The details of purchases and sales of investments may be obtained freely at the registered office of the SICAV.

# TreeTop Convertible SICAV

## Notes to the financial statements as at 31 December 2019

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### g) Structured products

The SICAV may invest in structured products such as, but not exclusively, synthetic convertible bonds and capital guaranteed notes. The term “structured product” refers to transferable securities issued by financial institutions and which are created with the aim of restructuring the investment characteristics of certain other investments (the “underlying assets”). In this framework, institutions issue transferable securities (“structured products”) representing interests in the underlying assets. The underlying assets of these structured products must represent eligible financial assets or financial indexes and comply with the investment policy and objectives of the Sub-Fund concerned.

### h) Income

Interests on bonds and call accounts are accounted on a day-to-day basis. Dividends are considered on the date upon which the relevant securities are first listed as «ex-dividend».

### i) Valuation of futures

Evaluation of the contracts of forward foreign exchanges contracts, spot or contracts of options which are not negotiated on stock exchanges or on other regulated markets amounts to their net value of liquidation determined according to the decision of the Board of Directors, on a basis applied in a coherent way to each products. The value of liquidation of the forward contracts, spot or contracts of options negotiated on stock exchanges or other regulated markets is based on the last available price of these contracts on stock exchanges and regulated markets on which these contracts of options are negotiated by the SICAV. As far as if a contract cannot be liquidated the day at which net assets are estimated, the value of liquidation will be determined by the Board of Directors in a just and reasonable way.

Unrealized capital gains or losses on contracts are estimated on basis of the "forward rates" available on the date of evaluation.

### NOTE 2 - EXCHANGE RATE

1 EUR	=	0.84735 GBP
1 EUR	=	1.12250 USD

### NOTE 3 - TAXES AND EXPENSES PAYABLE

Management fee	373,414.26	EUR
Depository fees	12,631.49	EUR
Subscription tax	14,811.25	EUR
Miscellaneous fees	197,806.08	EUR
Total	598,663.08	EUR

# TreeTop Convertible SICAV

## Notes to the financial statements as at 31 December 2019

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### NOTE 4 - MANAGEMENT FEE AND PERFORMANCE FEE

In consideration of the management services, the Management Company shall receive from the SICAV, at the end of each quarter, a management fee expressed as an annual percentage of the average net assets of each Sub-Fund during the quarter under review, at a rate of 1.20% p.a. for classes AH, BH, CH and DH, and 0.70% p.a. for class IH.

The Management Company shall receive from the SICAV a performance fee commission at the rate of 12% of the increase of the NAV per share before the calculation of the performance commission, in relation to the reference NAV per share. The reference NAV per share is the highest ever previously achieved by the Sub-Fund (in case of dividend payment, it will be added to the NAV to obtain the highest never achieved NAV).

A provision shall be created for the performance commission every time the NAV is calculated on the basis of the number of shares of the Sub-Fund in circulation on the day the NAV is calculated. This provision shall be paid to the Management Company quarterly.

There was no performance fee provisioned at 31 December 2019.

### NOTE 5 - SUBSCRIPTION TAX

The SICAV is subject to Luxembourg tax laws.

Under current laws and regulations, the SICAV is subject in Luxembourg to the subscription tax ("taxe d'abonnement") at an annual rate of 0.05% such tax being payable quarterly and calculated on the basis of the net assets at the end of the relevant quarter.

Moreover, the SICAV being registered in Belgium, it is subject to a tax at an annual rate of 0.0925% calculated for the year 2019 on the basis of shares outstanding in Belgium as at 31 December 2018.

### NOTE 6 - TRANSACTIONS FEES

Charges and expenses attributable to the SICAV as an entity are charged and splitted in the different Sub-Funds according to the net assets of each Sub-Fund compared to the total net assets of the SICAV. Charges and expenses attributable to one particular Sub-Fund are charged directly.

TreeTop Convertible International being the sole Sub-Fund of the SICAV as at the date of this report, the Sub-Fund will bear the whole fees.

# TreeTop Convertible SICAV

## Notes to the financial statements as at 31 December 2019

### NOTE 7 - FORWARD FOREIGN EXCHANGE CONTRACTS

All forward foreign exchange contracts mentioned hereafter have been dealt with Banque Degroof Petercam Luxembourg S.A. :

TreeTop Convertible International :

MATURITY	CURRENCY PURCHASE	NOMINAL PURCHASED	CURRENCY SOLD	NOMINAL SOLD	+/- UNREALISED VALUE (IN EUR)	COMMITMENTS (IN EUR)
13/03/2020	GBP	505,000.00	EUR	596,482.52	-1,940.70	595,975.70
13/03/2020	HKD	320,000.00	EUR	36,679.58	-291.38	36,586.91
13/03/2020	USD	4,022,204.52	EUR	3,606,000.00	-39,284.56	3,583,255.71
13/03/2020	GBP	30,000.00	EUR	35,036.50	283.78	35,404.50
13/03/2020	INR	3,800,000.00	EUR	47,259.57	-420.74	47,427.80
13/03/2020	NOK	3,010,000.00	EUR	295,837.63	7,954.16	305,157.71
13/03/2020	INR	35,000,000.00	EUR	438,601.99	-7,232.98	436,835.00
13/03/2020	HKD	560,000.00	EUR	64,073.23	-393.25	64,027.10
13/03/2020	GBP	50,000.00	EUR	59,057.68	-192.16	59,007.49
13/03/2020	NOK	110,000.00	EUR	10,825.92	276.04	11,151.94
13/03/2020	HKD	610,000.00	EUR	69,679.49	-313.17	69,743.80
13/03/2020	INR	7,000,000.00	EUR	87,057.10	-775.03	87,367.00
13/03/2020	GBP	385,000.00	EUR	450,002.92	3,273.04	454,357.71
13/03/2020	HKD	7,000,000.00	EUR	806,907.12	-10,939.75	800,338.70
13/03/2020	NOK	52,000.00	EUR	5,115.47	132.74	5,271.83
13/03/2020	HKD	8,500,000.00	EUR	974,301.37	-7,739.69	971,839.85
13/03/2020	NOK	102,000.00	EUR	10,034.19	260.37	10,340.89
13/03/2020	HKD	595,000.00	EUR	68,215.17	-555.93	68,028.79
13/03/2020	INR	85,000,000.00	EUR	1,057,121.89	-9,411.10	1,060,885.00
13/03/2020	NOK	290,000.00	EUR	28,541.06	727.74	29,400.58
13/03/2020	NOK	3,000,000.00	EUR	295,123.38	7,657.90	304,143.90
13/03/2020	GBP	70,191.43	EUR	82,900.00	-262.88	82,836.41
13/03/2020	GBP	15,000.00	EUR	17,518.25	141.89	17,702.25
13/03/2020	GBP	25,000.00	EUR	29,528.84	-96.07	29,503.75
13/03/2020	EUR	30,707.45	GBP	26,000.00	86.72	30,683.90
13/03/2020	USD	707,295.95	GBP	536,900.00	-5,084.87	1,263,730.23
13/03/2020	EUR	485,724.44	GBP	410,000.00	2,859.10	483,861.46
13/03/2020	EUR	223,101.45	GBP	188,900.00	630.08	222,930.32
13/03/2020	EUR	5,000.00	GBP	4,279.00	-39.47	5,049.86
13/03/2020	USD	118,786.50	GBP	90,000.00	-653.53	212,036.65
13/03/2020	USD	59,218.20	GBP	45,000.00	-482.71	105,862.38
13/03/2020	INR	225,000.00	GBP	2,394.33	-46.65	5,633.89
13/03/2020	EUR	13,951.87	GBP	12,000.00	-180.77	14,161.80
13/03/2020	EUR	471,659.18	GBP	400,000.00	571.05	472,059.96
13/03/2020	USD	51,554.00	GBP	40,000.00	-1,395.14	93,133.84
13/03/2020	EUR	315,630.74	GBP	270,000.00	-2,353.75	318,640.47

# TreeTop Convertible SICAV

## Notes to the financial statements as at 31 December 2019

MATURITY	CURRENCY PURCHASE	NOMINAL PURCHASED	CURRENCY SOLD	NOMINAL SOLD	+/- UNREALISED VALUE (IN EUR)	COMMITMENTS (IN EUR)
13/03/2020	EUR	22,509.18	GBP	19,000.00	132.49	22,422.85
13/03/2020	EUR	267,659.72	GBP	230,000.00	-3,215.96	271,434.48
13/03/2020	EUR	14,000.70	GBP	12,000.00	-131.94	14,161.80
13/03/2020	NOK	9,000.00	GBP	757.81	15.86	1,806.76
13/03/2020	EUR	461,792.84	GBP	391,000.00	1,304.19	461,438.61
13/03/2020	EUR	6,500.00	GBP	5,569.46	-59.27	6,572.80
13/03/2020	USD	64,850.52	GBP	49,000.00	-197.36	115,600.64
13/03/2020	EUR	43,833.67	GBP	37,000.00	258.02	43,665.55
13/03/2020	EUR	832,644.38	GBP	705,000.00	2,351.55	832,005.68
13/03/2020	HKD	20,000.00	GBP	1,931.70	-0.55	4,566.38
13/03/2020	EUR	25,578.42	GBP	22,000.00	-331.43	25,963.30
13/03/2020	EUR	23,582.96	GBP	20,000.00	28.55	23,603.00
13/03/2020	EUR	23,380.05	GBP	20,000.00	-174.36	23,603.00
13/03/2020	EUR	5,095,075.00	GBP	4,314,000.00	14,389.49	5,091,166.67
13/03/2020	USD	71,274.06	GBP	54,000.00	-390.19	127,223.92
13/03/2020	EUR	47,165.92	GBP	40,000.00	57.11	47,206.00
13/03/2020	EUR	59,052.79	GBP	50,000.00	166.77	59,007.49
13/03/2020	EUR	15,091,465.16	HKD	131,750,000.00	107,908.01	15,063,517.68
13/03/2020	USD	1,972,734.36	HKD	15,440,000.00	-6,483.41	3,522,765.60
13/03/2020	EUR	79,090.35	HKD	690,000.00	618.59	78,890.53
13/03/2020	EUR	656,464.42	HKD	5,731,000.00	4,693.90	655,248.73
13/03/2020	USD	140,418.06	HKD	1,100,000.00	-574.58	250,861.55
13/03/2020	GBP	2,223.65	HKD	23,000.00	2.34	5,253.92
13/03/2020	GBP	33,460.39	HKD	345,000.00	159.68	78,933.54
13/03/2020	EUR	1,305,941.51	HKD	11,401,000.00	9,337.83	1,303,523.07
13/03/2020	EUR	472,419.41	INR	38,000,000.00	3,866.34	474,278.00
13/03/2020	EUR	24,929.57	INR	2,000,000.00	268.88	24,962.00
13/03/2020	EUR	74,600.89	INR	6,000,000.00	618.83	74,886.00
13/03/2020	EUR	24,737.47	INR	2,000,000.00	76.78	24,962.00
13/03/2020	GBP	2,128.41	INR	200,000.00	39.95	5,008.04
13/03/2020	USD	76,040.37	INR	5,500,000.00	-383.21	136,387.48
13/03/2020	GBP	16,450.70	INR	1,551,000.00	244.74	38,772.32
13/03/2020	EUR	23,709.10	INR	1,900,000.00	281.45	23,713.90
13/03/2020	EUR	44,922.51	INR	3,600,000.00	533.27	44,931.60
13/03/2020	GBP	1,278.05	INR	120,000.00	25.15	3,006.01
13/03/2020	EUR	808,176.26	INR	65,000,000.00	6,703.90	811,265.00
13/03/2020	GBP	1,221.21	INR	115,000.00	19.87	2,876.53
13/03/2020	USD	83,880.89	INR	6,000,000.00	408.45	149,612.85
13/03/2020	GBP	1,213.58	INR	115,000.00	10.87	2,867.52
13/03/2020	EUR	7,348,271.23	INR	586,600,000.00	115,291.44	7,321,354.60
13/03/2020	EUR	39,787.14	INR	3,200,000.00	330.04	39,939.20
13/03/2020	EUR	611,086.86	INR	49,000,000.00	6,900.00	611,569.00

# TreeTop Convertible SICAV

## Notes to the financial statements as at 31 December 2019

MATURITY	CURRENCY PURCHASE	NOMINAL PURCHASED	CURRENCY SOLD	NOMINAL SOLD	+/- UNREALISED VALUE (IN EUR)	COMMITMENTS (IN EUR)
13/03/2020	EUR	836,057.80	INR	67,000,000.00	9,924.75	836,227.00
13/03/2020	USD	58,107.36	INR	4,200,000.00	-256.86	104,186.22
13/03/2020	GBP	1,231.78	INR	115,000.00	32.35	2,889.00
13/03/2020	USD	966,215.30	INR	69,150,000.00	4,251.39	1,723,832.02
13/03/2020	EUR	318,746.61	INR	25,445,000.00	5,001.01	317,579.05
13/03/2020	EUR	46,119.71	INR	3,700,000.00	497.44	46,179.70
13/03/2020	USD	110,236.87	INR	8,000,000.00	-884.62	198,054.57
13/03/2020	EUR	35,828.57	INR	2,900,000.00	70.57	36,194.90
13/03/2020	USD	66,061.11	INR	4,800,000.00	-602.95	118,760.57
13/03/2020	EUR	630,853.97	INR	50,360,000.00	9,897.85	628,543.16
13/03/2020	EUR	23,473.89	INR	1,900,000.00	46.24	23,713.90
13/03/2020	EUR	36,376.61	NOK	370,000.00	-978.68	37,511.08
13/03/2020	USD	655,363.65	NOK	6,003,000.00	-24,976.72	1,192,434.84
13/03/2020	USD	52,555.51	NOK	480,000.00	-1,861.18	95,483.08
13/03/2020	EUR	4,986,786.73	NOK	50,950,000.00	-157,138.11	5,165,377.23
13/03/2020	GBP	498.44	NOK	6,000.00	-18.97	1,196.52
13/03/2020	EUR	383,429.17	NOK	3,900,000.00	-10,315.81	395,387.07
13/03/2020	EUR	217,187.04	NOK	2,219,000.00	-6,843.76	224,965.10
13/03/2020	EUR	23,443.50	NOK	235,000.00	-282.16	23,824.61
13/03/2020	EUR	19,171.46	NOK	195,000.00	-515.79	19,769.35
13/03/2020	GBP	11,113.14	NOK	134,100.00	-455.60	26,710.40
13/03/2020	EUR	458,894.07	NOK	4,600,000.00	-5,523.09	466,353.98
13/03/2020	EUR	45,889.41	NOK	460,000.00	-552.31	46,635.40
13/03/2020	EUR	428,012.14	NOK	4,373,000.00	-13,487.04	443,340.42
13/03/2020	GBP	1,110.40	NOK	13,000.00	-5.14	2,628.40
13/03/2020	USD	63,009.51	NOK	565,000.00	-1,168.67	113,413.63
13/03/2020	GBP	663.31	NOK	8,000.00	-26.78	1,593.86
13/03/2020	NOK	160,000.00	USD	17,444.02	679.58	31,761.34
13/03/2020	EUR	2,930,286.35	USD	3,268,500.00	31,542.64	2,911,804.02
13/03/2020	GBP	65,000.00	USD	85,627.10	589.93	152,992.24
13/03/2020	EUR	80,272.75	USD	89,000.00	1,341.07	79,287.31
13/03/2020	GBP	75,529.27	USD	99,500.00	683.48	177,777.29
13/03/2020	GBP	3,873.66	USD	5,000.00	126.65	9,025.84
13/03/2020	EUR	33,960,301.95	USD	37,880,000.00	365,560.74	33,746,102.57
13/03/2020	HKD	780,000.00	USD	99,585.06	386.46	177,897.80
13/03/2020	INR	4,500,000.00	USD	62,893.08	-306.50	112,193.97
13/03/2020	HKD	805,000.00	USD	103,038.68	165.42	183,832.88
13/03/2020	INR	9,500,000.00	USD	131,045.33	905.35	235,313.67
13/03/2020	GBP	30,000.00	USD	39,090.00	654.72	70,228.55
13/03/2020	GBP	5,289.09	USD	7,000.00	19.14	12,478.00
13/03/2020	EUR	185,000.00	USD	206,330.50	2,011.09	183,813.36
13/03/2020	EUR	151,650.31	USD	170,000.00	881.94	151,447.66

# TreeTop Convertible SICAV

## Notes to the financial statements as at 31 December 2019

MATURITY	CURRENCY PURCHASE	NOMINAL PURCHASED	CURRENCY SOLD	NOMINAL SOLD	+/- UNREALISED VALUE (IN EUR)	COMMITMENTS (IN EUR)
13/03/2020	EUR	1,475,677.32	USD	1,646,000.00	15,884.71	1,466,369.72
13/03/2020	EUR	85,251.49	USD	95,000.00	998.58	84,632.52
13/03/2020	HKD	760,000.00	USD	97,376.47	69.05	173,643.56
13/03/2020	EUR	180,000.00	USD	200,466.00	2,212.16	178,588.86
13/03/2020	EUR	160,000.00	USD	180,048.00	320.33	160,399.11
13/03/2020	GBP	45,000.00	USD	58,652.55	966.47	105,358.46
13/03/2020	NOK	361,000.00	USD	39,391.56	1,503.48	71,691.35
				<b>Total</b>	<b>430,894.26</b>	<b>103,084,635.82</b>

### NOTE 8 - DOMICILIARY AGENT, ADMINISTRATIVE AGENT AND TRANSFERT AGENT FEES

In consideration of its services as the SICAV's domiciliary agent, Degroof Petercam Asset Services shall receive a lump sum domiciliation fee of EUR 7,500 p.a. per Sub-Fund.

In consideration of its services as Administrative Agent and Transfer Agent of the SICAV, Degroof Petercam Asset Services S.A. shall receive an annual fee determined as a percentage of the average net asset value of each Sub-Fund as follows:

- 0.07% on the tranche of the average net asset value comprised between 0 and 125 million EUR ;
- 0.06% on the tranche of the average net asset value over 125 million EUR.

and EUR 25 per trade done by the transfer agent and EUR 25 as maintenance fee per year and per Sub-Fund.

### NOTE 9 - DEPOSITARY FEES

In consideration of its services as the SICAV's Depositary Bank, Banque Degroof Petercam Luxembourg S.A. shall receive an annual fee (transaction fees excluded) of 0.04% determined on the average net asset value and EUR 25 per trade on the portfolio of the Sub-Fund.

The Depositary Bank's commissions are subject to VAT at the current rate of 14% solely for the portion of these commissions relative to the Depositary Bank's control and supervisory services.

### NOTE 10 - DIVIDENDS

As of 16 April 2019, during the General Meeting of Shareholders of TreeTop Convertible SICAV, the payment of dividend on distribution class was decided as follow:

Sub-Fund	Payment date	Classes	Amount
TreeTop Convertible International	30 May 2019	Class D, Dist. (LU0332191302)	EUR 6,10

### NOTE 11 - TRANSACTION FEES

The caption «Transaction fees» includes brokerage, banking fees, taxes, depositary and others on purchases and sales of investments during the period.

# TreeTop Convertible SICAV

## Notes to the financial statements as at 31 December 2019

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### NOTE 12 - OTHER INCOME

Other income includes an amount of USD 386,863.17 collected by SICAV in June 2019 in connection with a collective action (i.e. class action) brought in the United States against Salix Pharmaceuticals, Ltd. Salix Pharmaceuticals, Ltd was accused of misleading investors about the deterioration of its net income and earnings per share. Within the framework of this collective action the parties have concluded a settlement agreement whose distribution plan to investors who have held securities issued by Salix Pharmaceuticals, Ltd during the criminalized period, whose SICAV, was approved by the competent court in August 2018.

### NOTE 13 - SUBSEQUENT EVENT(S) TO THE YEAR

The respective Boards of Directors of TreeTop Scolea SICAV (absorbed Company) and TreeTop Convertible SICAV (absorbing Company) have decided to merge the last sub-fund of TreeTop Scolea SICAV (TreeTop Scolea International) into the TreeTop Convertible International sub-fund of TreeTop Convertible SICAV on 6 March 2020 (the "effective date").

TreeTop Scolea International is the feeder fund of the TreeTop Convertible International (the Master Fund).

Shareholders of TreeTop Scolea International will receive shares of the class A2H EUR which will be specifically (and shortly) created within TreeTop Convertible International and which will be launched at a price of EUR 100 per share.

TreeTop Scolea SICAV will disappear on the date of the merger.

The Board of Directors of the SICAV has taken note of a post-closing event relating to the current outbreak of the COVID-19 and its negative impact on global financial markets, particularly those in which the sub-funds are invested. It has been concluded that this event does not require an adjustment to the financial statements as at 31 December 2019 since the net asset values of the sub-funds are based on fair prices at that date. The ultimate impacts of the COVID-19 epidemic on the various sub-funds remain uncertain to date and may vary according to the countries, asset classes, industrial sectors and securities in which they are invested.



# TreeTop Convertible SICAV

## Additional information (unaudited) as at 31 December 2019

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### OVERALL RISK ASSESSMENT

Global exposure is a measure designed to limit the leverage generated by each Sub-Fund through the use of financial derivative instruments. In order to calculate global exposure, each Sub-Fund will use the commitment approach. This method consist to convert all derivatives positions to the market value of the equivalent position of underlying asset and to aggregate these.

### Remuneration

#### Remuneration policy

The Management Company has put in place a remuneration policy, the purpose of which is to constitute a framework for remuneration practices as regards its personnel so as to ensure that they are compatible with sound and effective risk management. In particular, the remuneration policy aims not to encourage risk taking that is incompatible with the risk profile of the sub-funds of the SICAV, its prospectus and its documents of incorporation. The objective pursued is not to minimise risk in absolute terms, which is an integral component of the SICAV portfolio management. As part of the management of its business, the Management Company's remuneration policy also aims to prevent the taking of risks that would surpass the tolerance thresholds set by its Board of Directors, and to reward employees who take part in and contribute to the attainment of the Management Company's long-term objectives in accordance with its values and complying with applicable laws and regulations.

The Management Company's remuneration policy has been established in accordance with the laws and regulations applicable to Managers of UCI investment funds in Luxembourg and taking account on the one hand of the company's size, the services which it provides and the private nature of its shareholding, and on the other, of market standards.

The Management Company considers that all the persons it employs are in the categories referred to by Article 20 of the Law of 10 May 2016, so that its remuneration policy applies to all its employees.

The Board of Directors of the Management Company, in the exercise of its supervisory role, is ultimately responsible for establishing and implementing the remuneration policy. This remuneration policy is reviewed once a year by the Board of Directors and by the internal audit function, which is performed by an independent company. The implementation of the remuneration policy is subject, at least once a year, to a central and independent internal evaluation with the goal of verifying that it complies with the remuneration policies and procedures adopted.

The general principles of the Management Company's remuneration policy are as follows:

- The level of remuneration of each employee is set taking account of the level of responsibility and experience and market standards in Luxembourg;
- The remuneration of the Management Company's personnel consists of a fixed component and, where applicable, a variable component;
- Where a member of the Management Company's personnel is entitled to variable remuneration, the fixed component will always be sufficient to allow for the possibility of not paying any variable remuneration;
- The variable component, if there is one, is established on the basis of financial and non-financial criteria.
- The relative importance of the criteria used and the variable component depend on the nature of the function performed;

# TreeTop Convertible SICAV

## Additional information (unaudited) as at 31 December 2019

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- For example for personnel employed in the control functions, the level of variable remuneration may not in principle exceed two months' salary, and the evaluation criteria applied are essentially non-financial;
- This variable remuneration is paid during the current year or the following one, and always in cash;
- The remuneration of members of general management currently consists only of fixed remuneration; members of general management have a stake in the long-term development of the company in their capacity as shareholders of the Management Company;
- The Management Company does not offer guaranteed bonuses;
- The employment contracts does not contains any indemnity for early termination other than those established in the Luxembourg social law and warranted by the experience and years of service of the personnel and market standards in Luxembourg.

During 2019, the Management Company did not make significant changes to its remuneration policy.

As at 31 December 2019 the Management Company employed thirteen persons. Three of these thirteen persons are part of the general management and /or may be considered as risk takers in the meaning of Article 20 of the Law of 10 May 2016.

With the exception of the fund Managers, none of the persons employed by the Management Company is any longer specifically assigned - whether full-time or part-time - to a particular UCI.

The activity of members of general management, the control functions and the other functions managed by the Management Company relates to all its funds. The remuneration offered by the Management Company to these employees is thus not directly related to the SICAV.

The investment strategies established by the fund Managers are generally implemented across several funds. In order to identify the portion of the remuneration received by the Management Company's personnel in relation to the SICAV, the following method is applied:

- For fund Managers the remuneration is allocated to the SICAV in proportion to the assets managed in accordance with the investment strategy or strategies defined by these persons;
- For persons employed in general management, control or other functions, remuneration is allocated to the SICAV in proportion to the assets under management of all the UCIs managed by the Management Company;
- When a fund Manager is also a member of the general management of the Management Company, his remuneration is allocated to the SICAV in proportion to the assets under management of all the UCIs managed by the Management Company.

For the year ended 31 December 2019, total remuneration paid by the Management Company to its personnel in connection with the SICAV amounted to EUR 237.827. The fixed component of this remuneration amounted to EUR 225.870 and the variable component to EUR 11.957. The portion of total remuneration paid to members of general management and a risk taker amounted to EUR 123.324 and was composed exclusively of fixed remuneration.

### Information relating to the transparency of securities financing transactions and reuse

As at 31 December 2019 the SICAV does not resort in any securities financing transactions and total return swaps such as these terms are defined by the Regulation (EU) 2015/2365 of the European Parliament and the Council of 25 November 2015 concerning the transparency of the securities financing transactions and of reuse.

# TreeTop Convertible SICAV

## Additional information (unaudited) as at 31 December 2019

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### Notes regarding investment research fees

In accordance with the prospectus of the SICAV, within the limit of an annual budget, the SICAV may also participate in the financing of the investment research supplied to the Management Company by third-party research companies.

The investment research budget of EUR 150,112.52 has been charged to the SICAV for the year 2019.